

**Keene Public Library Finance Committee**  
**June 14, 2020**

Present: Jane Pitts, Chuck Redfern, Judy Putnam, Marti Fiske

Agenda:

**1. Filling of a vacant seat**

Jen has recommended the appointment of Justin Somma as City Library Trustee to the Mayor. Judy recommended that Justin join the Finance Committee due to his experience as a financial/business officer, including his current position with Gathering Waters School. Judy will ask for his appointment to Finance if he agrees.

There was discussion about whether the committee should have an even or odd number of members. It was decided that the committee remain at four members. Any ties in votes can go to the full Board for a decision.

**2. Discussion of Trustee budget for FY23**

Judy recommended that the budget plan for projects and unexpected needs by drawing from the accounts below.

Current account balances:

Permanently restricted investments: \$196,000

Endowment: \$176,000

Non-Restricted Investments: \$328,000

Currently the Outreach budget, from Charitable Foundation, includes software that supports outreach and programs. Judy commented that this, and other administrative expenses needed to do business should be covered by the City budget. Marti suggested that the Trustee request an informational meeting with Finance Organization and Personnel Committee to talk about Library's work and goals outside of the budget season. The FOP meeting would be then reported as informational to the whole Council. Judy added that we could offer a visit to the Library so they may see things in action. There was discussion on the best time. Autumn, before the Capital and operating budget season was chosen.

Chuck asked for this to be placed on the agenda for discussion at the next meetings to organize the presentation. Judy recommended that the committee review the software spreadsheet to see what the total costs are and how they are being paid. Marti will come up with a vision statement for the library using strategic plan and stated financial goals for full-time positions, and budget lines for programs, and administrative software lines. The Finance committee can then focus on organizing the information and stating asks to FOP.

The books/materials line is all accumulated donations from the public and the amount is rolled forward each year. Donations are most often in general support, not specifically for book purchases. Marti requested that since unrestricted donations be called "donations for support" of the Library instead of Books in the budget. Collection Materials is a line that is adequately funded by the City. Instead we need furniture, equipment, software and other items. When

there is a purchase on the Trustee budget, this “donations for support” can be the first line spent down each year.

To date the budget has not shown budgeted amount and actual amount spent to date on side by side lines. Chuck suggested that this be added.

The Friends’ amount needs to show the full amount they donate in order to meet RSA. Last year it was nearly \$53,000. It is best to overestimate at \$55,000. The Trustees will need to hold a public, advertised hearing to accept any amount over the budget by \$5,000 or more.

Marti suggested that the Director’s Discretionary Fund doesn’t need to roll over, as long as the funds can be encumbered if a project is delayed. She requested \$2,500 for FY23. Judy recommended \$3,000. The Jane Green Fund currently gives \$4,000-\$5,000 a year in income. Taking the Discretionary Fund from a single Investment Fund will make accounting easier.

Jane suggested having a chart of the unrestricted and restricted funds with income per annum average for making decisions quickly.

Money should be added to the strategic plan budget again. Next year we will do a larger strategic plan that may involve a consultant, advertising, printing, etc.

Unrestricted funds can be sold as needed.

The total budget should be about \$95,000: \$55,000 from Friends plus \$40,000 from Trustee funds (\$30,000 from investments, \$11,000 from donations –made of the \$10,000 built up from donations and \$1,000 in donations expected in the coming year).

- 3. Request to encumber funds from Director’s Discretionary Fund.** The exterior lockers will be installed sometime in July. The Recreation is trying to find a time to install the concrete pad for the lockers to be mounted on. Their schedule has been very full with getting the cemeteries, parks and pools ready for the season. It is unlikely that it will be installed with enough time for the electrician before the lockers go in. The locker company says that that is not a problem, and is sometimes preferable for the electrician. Installing electric/data later allows them to see exactly where the connections need to align.

Marti had reserved the Director’s Discretionary fund for FY22 to pay for electric and data. The grant will not cover construction costs. She requested that the Discretionary fund be encumbered so that the funds are available after June 30. The electrical and data line are quoted for \$2,572. The amount will take all of the FY22 funds and a portion of FY23 funds.

Motion by Judy: That the Director’s Discretionary account in the amount of \$2,000 be held and encumbered for use in the exterior locker installation scheduled for July 2022. Jane seconded. Passed unanimously.